



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ERIC T. SCHNEIDERMAN
ATTORNEY GENERAL

DIVISION OF SOCIAL JUSTICE
ENVIRONMENTAL PROTECTION BUREAU

March 28, 2011

By Electronic and Overnight Mail

Honorable Robert E. Gerber
United States Bankruptcy Court
Southern District of New York
One Bowling Green, Courtroom 621
New York, New York 10004-5660

Re: *In re Motors Liquidation Company*,
Case No. 09-50026

Dear Judge Gerber:

We understand from the debtors that they have included as an agenda matter for Tuesday, March 29, 2011, further argument and hearing on the exculpation/third party release clauses contained in the proposed confirmation order. New York respectfully submits that there is no necessity for further hearing on this issue. Moreover, there is clearly no reason or justification for the debtors to file anything further on the issue with the Court and New York strongly opposes any such filing. The court has considered and ruled on our prior objection and the debtors' response (see March 7, 2011 Bench Decision, p. 31-34). We respectfully submit that at this point, the Court is able to rule on what the confirmation order should say - or not say - regarding exculpation, without further filings or argument by the parties. New York and the debtors simply differ on the import of the Court's Bench Decision with respect to (1) the meaning of the *Metromedia*, *Chemtura*, *DBSD* and *Adelphia* cases, and (2) what the confirmation order may say specifically about exculpation and third party releases in this case.

On Wednesday, March 23, we made a good faith effort to resolve with counsel for the debtors our view of the confirmation order's continuing violation of well-settled case law, and we expressed our willingness to continue a dialogue to resolve our differences. Counsel declined our suggestion to propose language for the confirmation order that would be consistent with this Court's ruling, or to continue a dialogue with New York. Instead, counsel threatened the now-scheduled hearing. On Friday, March 25, we received the Notice of Matters Scheduled for Hearing on Tuesday, March 29, 2011, in which the debtors indicate an intention to file a "response" on Monday, March 28. We immediately advised the debtors by email of our position that no further hearing, argument, or submittals on the exculpation clause is necessary. We

requested that the debtors instead give the Court the opportunity to rule by revising or not revising the confirmation order. The debtors responded that they intend to have a hearing.

Although I will be attending the scheduled hearing on Tuesday, March 29, New York strongly opposes any further filings by the debtors or the necessity for the Court to expend further time dealing with an issue on which it has already ruled. Any additional filing would allow the debtors to improperly reargue their position and raise new matters after the Court has already ruled on the question. Should the Court accept and consider any further filing by the debtors, however, we respectfully request the opportunity to respond, if appropriate. Thank you.

Respectfully submitted,

Maureen F. Leary
Assistant Attorney General
(518) 474-7154
Maureen.Leary@ag.ny.gov

cc: Counsel Listed

Harvey R. Miller, Esquire
Stephen Karotkin, Esquire
Joseph H. Smolinsky, Esquire
Weil, Gotshal & Manges, LLP
767 Fifth Avenue
New York, NY 10153
harvey.miller@weil.com
stephen.karotkin@weil.com
Joseph.Smolinsky@weil.com
Attorneys for Debtors

David R. Berz, Esquire
Thomas Goslin, Esquire
Weil Gotshal & Manges, LLP
1300 Eye Street, NW, Suite 900
Washington, DC 20005
david.berz@weil.com
thomas.goslin@weil.com
Attorneys for General Motors

Thomas Morrow, Esquire
c/o Motors Liquidation Company
401 South Old Woodward Ave., Suite 370
Birmingham, Michigan 48009

Ted Stenger, Executive Vice President
c/o Motors Liquidation Company
General Motors LLC
500 Renaissance Center, Suite 1400
Detroit, Michigan 48243
tstenger@alixpartners.com

John J. Rapisardi, Esquire
Cadwalader Wickersham & Taft LLP
One World Financial Center
New York, New York 10281
Attorney for the United States Department of Treasury

Mark Dowd
United States Department of Treasury
1500 Pennsylvania Avenue NW
Room 2312
Washington, D.C. 20220
Mark.Dowd@do.treas.gov

Michael J. Edelman, Esquire
Michael L. Schein, Esquire
Vedder Price P.C.
1633 Broadway, 47th Floor
New York, NY 10019
mj_edelman@vedderprice.com
m_schein@vedderprice.com
Attorneys for Export Development Canada

Elliott P. Laws, Esquire
Crowell & Morning LLP
1001 Pennsylvania Ave., NW
Washington, DC 20004
ELaws@crowell.com
Michael O. Hill, Esquire
Hill & Kehne, LLC
2300 Wisconsin Avenue, NW
Suite 300
Washington, DC 20007
mhill@hillkehne.com
*For the Environmental Response Trust
Administrative Trustee*

Thomas Moers Mayer, Esquire
Robert Schmidt, Esquire
Lauren Macksound, Esquire
Jennifer Sharret, Esquire
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of The Americas
New York, NY 10036
tmayer@kramerlevin.com
rschmidt@kramerlevin.com
lmacksound@kramerlevin.com
jsharret@kramerlevin.com
*Attorneys for Official Committee of
Unsecured Creditors*

Andrew D. Velez-Rivera, Esquire
Brian Shoichi Masumoto, Esquire
Office of the United States Trustee
33 Whitehall Street, 21st Floor
New York, NY 10004
andy.velez-rivera@usdoj.gov
Brian.Masumoto@usdoj.gov
Attorneys for the United States Trustee

David S. Jones, Esquire
Natalie Kuehler, Esquire
Assistant United States Attorneys
United States Attorney's Office
Southern District of New York
86 Chamber Street, 3rd Floor
New York, NY 10007
David.Jones6@usdoj.gov
Natalie.Kuehler@usdoj.gov
Attorneys for the United States

Alan Tenenbaum, Esquire
Patrick M. Casey, Esquire
United States Department of Justice
P.O. Box 7611
Washington, DC 20044-7611
patrick.casey@usdoj.gov
alan.tenenbaum@usdoj.gov
Attorneys for the United States

Elihu Inselbuch, Esquire
Rita C. Tobin, Esquire
Caplin & Drysdale, Chartered
375 Park Avenue, 35th Floor
New York, NY 10152-3500
ei@capdale.com
ret@capdale.com
Attorneys for Asbestos Claimants' Comm.

Trevor W. Swett III, Esquire
Kevin C. Maclay, Esquire
Caplin & Drysdale
One Thomas Circle, NW, Suite 1100
Washington, DC 20005
twswett@capdale.com
kcm@capdale.com
Attorneys for Asbestos Claimants

Sander L. Esserman, Esquire
Robert T. Brousseau, Esquire
Stutzman, Bromberg, Esserman & Plifka
2323 Bryan Street, Suite 2200
Dallas, Texas 75201
esserman@sbep-law.com
brousseau@sbep-law.com
Attorneys for Future Claimants

Margarita Padilla, Esquire
Deputy Attorney General
California Office of the Attorney General
P.O. Box 70550
1515 Clay Street
Oakland, CA 94615-0550
Margarita.Padilla@doj.ca.gov
Attorneys for the Calif. Tox. Sub. Cont. Bd.

John J. Privitera, Esquire
Jacob F. Lamme, Esquire
McNamee, Lochner, Titus & Williams, P.C.
677 Broadway
Albany, NY 12207-2503
privitera@mltw.com
Attorneys for the Saint Regis Mohawk Tribe